

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2024 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2024 or fiscal plan year beginning 10/01/2024 and ending 09/30/2025	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan HB GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN
1b	Three-digit plan number (PN) ▶ 002
1c	Effective date of plan 10/01/2010
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) HBG, INC. 4600 TRINDLE RD SUITE 301 CAMP HILL, PA 17011
2b	Employer Identification Number (EIN) 82-2969290
2c	Plan Sponsor's telephone number 717-232-4328
2d	Business code (see instructions) 811310

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/14/2026	JAMES WHALEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 2138
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 1386 6a(2) 1347 6b 157 6c 700 6d 2204 6e 20 6f 2224 6g(1) 1980 6g(2) 2213 6h 179
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2O 2Q 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☐ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2024
		This Form is Open to Public Inspection
For calendar plan year 2024 or fiscal plan year beginning 10/01/2024 and ending 09/30/2025		
A Name of plan HB GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 HBG, INC.		D Employer Identification Number (EIN) 82-2969290

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	432278	450596
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	204515573	301299707
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	204947851	301750303
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	204947851	301750303

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	7471497	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B), (C), and line 2a(2)	2a(3)		7471497
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	18317	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		18317
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B), and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	96784134	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		104273948

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6992265	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		6992265
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		6992265

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		97281683
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		479231

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **BROWN PLUS**

(2) EIN: **25-1644159**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
HB GLOBAL 401(K) PLAN	82-2979776	001

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2024 This Form is Open to Public Inspection.	
For calendar plan year 2024 or fiscal plan year beginning 10/01/2024 and ending 09/30/2025					
A Name of plan HB GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN				B Three-digit plan number (PN) ▶ 002	
C Plan sponsor's name as shown on line 2a of Form 5500 HBG, INC.				D Employer Identification Number (EIN) 82-2969290	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1 0	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 82-3967259					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year				3	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)				6a	
b Enter the amount contributed by the employer to the plan for this plan year				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☒ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☒ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☒ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☒ Yes ☐ No					
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.				Schedule R (Form 5500) 2024 v. 240311	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14b	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:		
a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:

Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%

High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation: _____

Part VII	IRS Compliance Questions
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21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☐ N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q702454A.

**HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN**

**YEAR ENDED SEPTEMBER 30, 2025
(with comparative information
at September 30, 2024)**



Brown Plus
ACCOUNTANTS + ADVISORS

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)

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Independent Auditor's Report

Trustees and Plan Committee
HB Global Employee Stock Ownership Plan
Harrisburg, Pennsylvania

Opinion

We have audited the financial statements of HB Global Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of September 30, 2025 and 2024, and the related statement of changes in net assets available for benefits for the year ended September 30, 2025 and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of September 30, 2025 and 2024, and the changes in its net assets available for benefits for the year ended September 30, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year from issuance.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance; and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Other Matter—Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



Camp Hill, Pennsylvania
July 13, 2026

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Assets:		
Investments at fair value, HBG, Inc., common stock	\$ 301,299,707	\$ 204,515,573
Cash, money market	<u>450,596</u>	<u>432,278</u>
Net assets available for Plan benefits	<u>\$ 301,750,303</u>	<u>\$ 204,947,851</u>

See notes to financial statements.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED SEPTEMBER 30, 2025

Income:

Employer contributions, cash	\$ 7,471,497
Net appreciation in fair value of common stock of HBG, Inc., at fair value	96,784,134
Interest	<u>18,317</u>

Total income	104,273,948
---------------------	--------------------

Expenses,

benefit payments to participants	<u>6,992,265</u>
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Net increase in net assets available for benefits	97,281,683
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Plan transfer, to HB Global 401(k) Plan	(479,231)
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Net assets available for benefits:

Beginning of year	<u>204,947,851</u>
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End of year	<u><u>\$ 301,750,303</u></u>
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See notes to financial statements.

HB GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2025 (with comparative information at September 30, 2024)

1. Description of the Plan and summary of significant accounting policies:

The following brief description of the HB Global Employee Stock Ownership Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for complete information.

General:

The Plan was established October 1, 2010 and operates as a leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code (IRC) and is subject to the applicable provisions of ERISA. The Plan's Trust purchased all of the HBG, Inc. (the Company) outstanding common stock over several years beginning in 2010. As HBG, Inc. (the Plan Sponsor) acquired additional subsidiaries, additional stock was issued and purchased by the Plan's Trust in exchange for several promissory notes issued by the Trust. In November 2019, the remaining promissory note balances were refinanced and consolidated into a single new note, as described in Note 6. As of February 2024, the loan was paid off in full.

Effective October 1, 2022, the Plan adopted a new non-standardized pre-approved ESOP Plan document. The adoption of this new Plan document did not have any material effects on the provisions of the Plan and satisfies the qualification requirements of Section 401 and 4975(e)(7) of the Internal Revenue Code.

The Plan is administered by a five-member Plan Committee, all of whom are appointed by the Plan Sponsor's Board of Directors. All Plan investments are directed by the Plan Committee. The Plan has a group of five Trustees all of whom are employed by the Plan Sponsor.

During the 2025 Plan year, the Company acquired all of the issued and outstanding shares of capital stock of Hyper Network and all of the issued and outstanding shares of capital stock of Total Energy Service, LLC (Total Energy) and Global Energy.

The employees of all Hyper Network, Total Energy and Global Energy listed above were given years of service credit for service obtained as of their acquisition date. Hyper Network, Total Energy and Global Energy did not have an employee stock ownership plan. Additionally, if employees met eligibility requirements, they entered the Plan as of the designated Plan entry date.

As the Plan makes payments on the loans, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the IRC. In 2024, the final loan payment was made. All stock has been allocated to the participants.

The borrowings were collateralized by the unallocated shares of common stock, and the Plan Sponsor had no rights against shares of common stock once they were allocated under the Plan. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to the accounts of employees with vested rights in allocated common stock (allocated) and common stock that had yet to be allocated to employees (unallocated).

The employees of all companies acquired in 2025 and 2024 listed above were given years of service credit for service obtained as of their acquisition date. None of the companies acquired in 2025 or 2024 had employee stock ownership plans. Additionally, if these employees met eligibility requirements, they entered the Plan as of the designated Plan entry date.

The Plan does not permit, nor require, employee contributions.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)

1. Description of the Plan and summary of significant accounting policies (continued):

Eligibility:

Employees of the Plan Sponsor are generally eligible to participate in the Plan after reaching age 18 and after one employment year of service, provided they worked at least 1,000 hours during such year. Participants who do not meet the eligibility requirements or are not employed on the last day of the Plan year, are generally not eligible for an allocation of Plan Sponsor contributions for such year. Upon satisfying the eligibility requirements, employees can enter the Plan on the following October 1 or April 1.

Employer contributions:

The Plan Sponsor is obligated to make contributions in cash to the Plan, which when aggregated with the Plan's dividends and interest earnings, equal or exceed the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loans, which were fully paid off in the current Plan year.

During the Plan years ended September 30, 2025 and 2024, contributions were made mainly for benefit payments paid or payable at September 30, 2025 and 2024.

Participant accounts and forfeitures:

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of contributions, Plan Sponsor dividends, forfeitures and investment results. In addition, participant accounts are credited with shares of the Plan Sponsor's common stock released by the Trustees from the unallocated account or forfeited from terminated participants' nonvested accounts.

Only those participants who are eligible employees of the Plan Sponsor as of the last day of the Plan year will receive allocations. Contribution and forfeiture allocations are based on a participant's eligible compensation relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's beginning of the year cash account balance to all participants' beginning of the year cash balances.

There were \$483,842 of forfeitures during the year ended September 30, 2025. The Plan recognizes forfeitures as incurred. All forfeitures are allocated to participant accounts in the year forfeited.

Allocations:

The financial statements of the Plan present separately the assets and liabilities, and changes therein, pertaining to: (a) the accounts of employees with rights in allocated stock (allocated) and (b) stock not yet allocated to employees (unallocated), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Vesting and payment of benefits:

Vesting is based upon Plan years of service. A participant becomes vested in his account according to a vesting schedule and is fully vested after six years of service, or having attained normal retirement age, death or disability.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)

1. Description of the Plan and summary of significant accounting policies (continued):

Vesting and payment of benefits:

For distributions because of retirement, disability or death, the vested account will be paid in installments over a period of five years, beginning no later than one year after the end of the Plan year in which retirement, disability or death occurs. For terminations other than retirement, disability or death, the account will be held for five years, with payments beginning one year after the end of the Plan year which is five years after the termination of employment, with the account being paid in installments over five years. Distributions to participants are to be made in cash.

Effective October 1, 2023, vested benefits of less than \$7,000 will be available for distribution upon election to another qualified retirement plan or IRA after the end of the year in which the participant was terminated. If a qualified plan or IRA is not elected, then the Plan will transfer such balance to an IRA of its choosing. Vested benefits of less than \$1,000 will be distributed in a lump-sum amount after the end of the year in which the participant was terminated.

Diversification:

A participant who has attained age 55 and completed at least ten years of participation in the Plan may elect to diversify a portion of his or her account. Generally, diversification is offered over a five-year period. In each of the first five years, a participant may diversify up to a cumulative 25% of Plan Sponsor stock allocated to their account. At the end of five years, a participant may diversify up to 50% of his or her Plan Sponsor stock account. Participants may opt to take distribution in cash or transfer to another Plan Sponsor retirement plan.

Participants who are also participants in the Company's 401(k) Plan and who are eligible to diversify their ESOP account, may transfer their diversification amounts to their 401(k) account. The Plan transfer from the Company ESOP was \$479,231 for the year ended September 30, 2025.

Put option:

Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Plan Sponsor buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair value of the stock. The Plan Sponsor can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Stock voting rights:

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustees prior to the time that such rights are to be exercised. The remaining Plan Sponsor stock held by the Plan Trustees shall be voted on by the Trustees.

Plan termination:

The Plan Sponsor reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the Plan shall be fully vested and will be distributed to such participant, or his or her beneficiary, at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Plan Committee shall direct the Plan Trustees to pay all liabilities and expenses of the Plan.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)

1. Description of the Plan and summary of significant accounting policies (continued):

Basis of presentation:

The financial statements of the Plan are prepared under the accrual method of accounting.

Investments:

The Plan's investment in Plan Sponsor stock is stated at fair value based upon an independent appraisal. The appraisal was based on a combination of income and market valuation techniques. The appraiser took into account the history of the business, the economic outlook in general and the condition and outlook of the Plan Sponsor's industry, the earning capacity of the Plan Sponsor, consolidated financial budget for the subsequent year, the dividend-paying capacity of the Plan Sponsor and market comparables.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date.

Money market fund shares are carried at net asset value of \$1 per share.

Plan administration and expenses:

Plan Sponsor contributions are held and managed by the Plan Trustees, who invest cash received, interest and dividend income, if any, and make distributions to participants. The Plan Trustees also administer the payment of interest and principal on the loans.

Certain administrative functions are performed by officers or employees of the Plan Sponsor. No such officer or employee receives compensation from the Plan. Administrative expenses are paid by the Plan Sponsor directly. Payment of expenses by the Plan Sponsor is not deemed an employer contribution.

Use of estimates:

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires the Plan Committee to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates. The calculation of the fair value of the Plan's investment in Plan Sponsor stock is a significant estimate.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)

2. Investments:

The Plan's investments at September 30, 2025 and 2024 are presented in the following table:

	2025	2024
HBG, Inc. common stock:		
Number of shares	1,244,012	1,244,012
Cost	\$ 27,963,830	\$ 27,963,830
Fair value	\$ 301,299,707	\$ 204,515,573

3. Fair value measurements:

The Plan ranks investments in a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset. Observable inputs reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the Plan's own assumptions about the assumptions that market participants would use in pricing the asset developed based on the best information available in the circumstances. The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices in active markets for identical investment, including the money market fund.

Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.). The Plan does not have Level 2 investments.

Level 3 – Significant unobservable inputs (including the Plan's own assumptions in determining the fair value of investments).

See Note 1 for a description of the valuation methodologies used for assets measured at fair value.

Assets reported at fair value and required to be disclosed according the fair measurement hierarchy at September 30, 2025 and 2024 were as follows;

	Assets at fair value as of September 30,			
	2025		2024	
	Level 3	Total	Level 3	Total
Total investments at fair value,				
HBG, Inc. common stock	\$ 301,299,707	\$ 301,299,707	\$ 204,515,573	\$ 204,515,573

**HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN**

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)**

3. Fair value measurements (continued):

Independent appraisers prepared a valuation of the share price of the Plan Sponsor's common stock as of September 30, 2025 and 2024. As a result of this valuation, the fair value of each share of the Plan Sponsor's common stock was \$242.20 and \$164.40 per share as of September 30, 2025 and 2024, respectively.

As stated in the independent appraiser's valuation report as of September 30, 2025, the subsequent acquisitions of Rhodes Development Group, Inc. (Rhodes) and Cherokee Fiber & Associates, Inc. (Cherokee) (as disclosed in Note 9) were included in the valuation as instructed by the Trustee. Accordingly, the independent appraisers made pro forma adjustments to the Plan Sponsor's historical and projected financial results to account for the acquisitions of Rhodes and Cherokee.

If the employer's actual operating results differ from its projected results, changes in future valuation may have a material effect on the Plan's financial statements.

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended September 30, 2025:

	<u>HBG, Inc. Company stock</u>
Beginning balance at October 1, 2024	\$ 204,515,573
Unrealized gain	<u>96,784,134</u>
Ending balance at September 30, 2025	<u><u>\$ 301,299,707</u></u>

The total change in unrealized gain for 2025, relating to Level 3 assets still held at September 30, 2025, is a gain of \$96,784,134.

4. Tax status:

The Plan obtained its latest determination letter on June 30, 2020, in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC.

The Plan has been amended and restated since receiving the determination letter. The Plan Committee and its qualified tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

5. Risks and uncertainties:

The investment in Plan Sponsor stock is exposed to market risk and lack of liquidity and is undiversified. It is at least reasonably possible that changes in the value of the stock could occur in the near term, and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

**HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN**

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)**

6. Loans payable:

In 2010, the Plan entered into a \$4,690,000 loan agreement with the H.B. McClure Company (HBM) in order to purchase all of HBM's outstanding common stock. Unallocated shares were collateral for the loan which provided for the loan to be repaid in annual installments of principal and interest of \$558,129, over ten years. The note bore interest at a fixed rate of 3.32%. In the 2019 Plan year, the Plan made its last payment of approximately \$311,000. Upon this payment, all HBM shares were allocated to the Plan.

In 2014, as a result of the merger with I.T. Landes & Son, Inc., the Plan entered into a \$16,000,000 loan agreement with HBM. Unallocated shares are collateral for the loan, which provides for the loan to be repaid in annual installments of principal of \$1,066,667, plus interest, over 15 years. The note bears interest at a fixed rate of 3.06%.

In November 2017, as a result of the acquisition of Nash, the Plan entered into a \$12,000,000 loan agreement with the Plan Sponsor. The unallocated shares are collateral for the loan, which provides for the loan to be repaid in annual installments of principal and interest of approximately \$581,000 over 30 years. The note bears interest at a fixed rate of 2.6%. In the 2018 Plan year, the Plan Sponsor made an additional contribution to make an accelerated payment on the loan of \$1,330,000. In the 2019 Plan year, the Plan Sponsor made an additional contribution to make an accelerated payment on the loan of approximately \$998,000.

In August 2018, as a result of the merger of BBEC ESOP, the Plan assumed a \$791,560 loan that is required to be paid back to HBG, Inc. As part of the acquisition, the loan that required BBEC ESOP to pay BBEC was assumed by the Plan and HBG, Inc., respectively. The Plan is required to pay HBG, Inc. annual installments of principal and interest of approximately \$145,000. The loan bears interest at a fixed rate of 5.75% and matures in December 2025. Additionally, the BBEC ESOP transferred approximately \$984,000 of cash in 2019 that was classified as a receivable at September 30, 2018. Management expects to use these funds to pay future benefit obligations.

In November 2019, the Plan Sponsor refinanced and consolidated the aggregate total of the three remaining HB Global ESOP Trust loans into a single new loan bearing a fixed annual interest rate of 2.6% and requiring an initial installment of principal and interest of \$1,179,811 in February 2021, and thereafter, 18 equal installments of principal and interest of \$1,076,889 every February through 2040. The amount of the new loan of \$16,570,698 was the outstanding principal balance of the previous three loans at the end of the prior Plan year, plus accrued interest of \$85,095 through the date of refinancing (November 7, 2019).

In February 2023, the Plan Sponsor made an accelerated principal payment of \$6,032,411 on the consolidated loan in addition to the required payments.

In February 2024, the Plan Sponsor made an accelerated principal payment of \$425,607 on the consolidated loan paying off its remaining balance in February of 2024.

7. Related party and party-in-interest transactions:

The Plan invests in the Plan Sponsor's common stock and is required to make annual principal and interest payments due on its term loans with the Plan Sponsor. These are exempt related party and party-in-interest transactions. The Plan has a number of service providers. Such parties are parties-in-interest under ERISA. Certain officers and employees perform administrative functions for the Plan, as described in Note 1.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025
(with comparative information at September 30, 2024)

8. Concentrations:

The Plan's investment in the Plan Sponsor's common stock accounted for 100% of investments at September 30, 2025 and 2024.

As of September 30, 2025, the amount of deposits in cash held at a financial institution exceeded the Federal Deposit Insurance Corporation (FDIC) limit by \$200,596.

9. Subsequent events:

Effective January 1, 2026, the Company acquired Rhodes Development Group, Inc. (Rhodes) and Cherokee Fiber & Associates, Inc. (Cherokee). As of this date, the Plan was amended for the merger with the Rhodes existing employee stock option plan. The employees of Rhodes and Cherokee were given years of service credit for service obtained as of the acquisition date. Additionally, if these employees met eligibility requirements, they entered the Plan on the date of acquisition.

Management has evaluated subsequent events through July 13, 2026, which is the date the financial statements were available to be issued.

HB GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

EIN: 82-2969290

PLAN #002

SCHEDULE H, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SEPTEMBER 30, 2025

(See independent auditor's report)

<u>(a)</u>	<u>(b) / (c)</u> <u>Identity of issue/description of investment</u>	<u>Number of</u> <u>shares or</u> <u>face value</u>	<u>(d)</u> <u>Cost</u>	<u>(e)</u> <u>Current</u> <u>value</u>
*	HBG, Inc. Company common stock	1,244,012	\$ 27,963,830	\$ 301,299,707
	Cash equivalents, Schwab Government Money Fund	450,596	450,596	<u>450,596</u>
				<u><u>\$ 301,750,303</u></u>

* Party-in-interest

Schedule H, line 4i – Schedule of Assets (Held At End of Year)

Plan Name: HB Global Employee Stock Ownership Plan

Employer I.D. #: 82-2969290

Plan Number: 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
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Schedule of Assets (Held At End of Year) is contained in the attached audit report.